

Congress of the United States
House of Representatives
Washington, DC 20515

February 12, 2004

The Honorable John D. Ashcroft
Attorney General of the United States
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear General Ashcroft:

We write to request that you appoint a special counsel to investigate whether certain corporations are violating U.S. law by conducting business with state sponsors of terrorism. On numerous occasions, and most recently in his State of the Union message, the President has discussed the threat that state sponsors of terrorism pose to the security of the United States and democratic countries around the world. All Members of Congress share that concern. In order to address these threats, over the past two decades Congress has passed laws to prevent U.S. persons and U.S. corporations from doing business with these regimes. Enforcement of these laws is crucial to our national security.

It is extremely disturbing to hear media reports of possible violations of our anti-terrorism laws by prominent American companies through straw corporations established to evade U.S. law. On Sunday, January 25, 2004, the CBS News program *60 Minutes* reported that they had found evidence that at least three American companies are involved in this sort of illegal activity. The CBS report focused on Halliburton, and mentioned Conoco-Phillips and General Electric. If true, these violations should be prosecuted to the fullest extent of the law.

Because these allegations involve a company that the Vice President of the United States ran during the time of the alleged violations, we formally request that you appoint an outside counsel to investigate these potential violations of Section 505 of the International Security and Development Cooperation Act of 1985, 31 C.F.R. Part 560, and Executive Orders 12613, 12957, 12959, and 10359.

Under the Department's regulations, the Attorney General is required to appoint a special counsel when (1) a "criminal investigation of a person or matter is warranted," (2) the investigation "by a United States Attorney's Office or litigating Division of the Department of Justice would present a conflict of interest for the Department," and (3) "it would be in the public interest to appoint an outside Special Counsel to assume responsibility for the matter." 28 C.F.R. Section 600.1 (2002).

The questions these allegations raise about the actions of a company run by Vice President Cheney are serious and disturbing. Corporate criminal penalties for violating U.S. sanctions against Iran are up to \$500,000, with individual penalties up to \$250,000 and 10 years in prison. We believe you will agree that this matter presents a clear conflict of interest for you and the Department.

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According to the *60 Minutes* story, CBS News investigated Halliburton Products and Services, Ltd., which is wholly owned by U.S. based Halliburton and provides approximately \$40 million in oil field services to the Government of Iran. In attempting to track down the Cayman Island based Halliburton Products and Services, CBS reports that they found no employees worked in the Cayman Islands. The Calidonian Bank representative in the Cayman Islands at which the company is registered told CBS News that any mail is rerouted to Halliburton headquarters in Houston.

CBS learned from a Halliburton letter to the New York City Comptroller that the Cayman Island subsidiary is operated from Dubai. When *60 Minutes* went to this Dubai office, they found that it was co-located with a division of U.S. based Halliburton, sharing the office space, phone and fax lines.

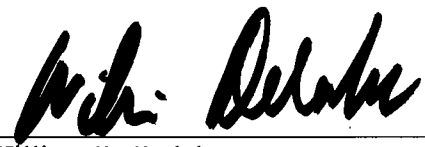
General Ashcroft, this *60 Minutes* investigation raises extremely serious concerns that may have an impact on our nation's security. Attached is a transcript of the 60 Minutes report. We believe it is crucial that these allegations be pursued immediately and with vigor. An outside special counsel is the only way to ensure the American people that the investigation is thorough and independent.

We look forward to promptly hearing whether you will appoint a special counsel. If you decide not to appoint a special counsel, please explain the rationale for your decision and indicate whether you will open an internal investigation.

Sincerely,




Tammy Baldwin
Member of Congress




William D. Delahunt
Member of Congress



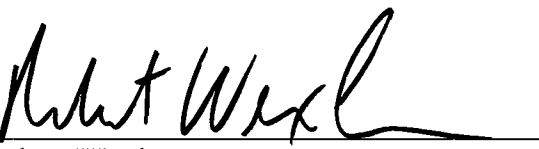
George Miller
Member of Congress



Jim McDermott
Member of Congress



Julia Carson
Member of Congress



Robert Wexler
Member of Congress

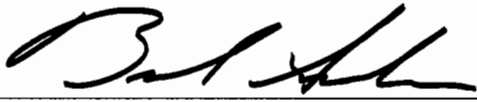


Martin T. Meehan
Member of Congress

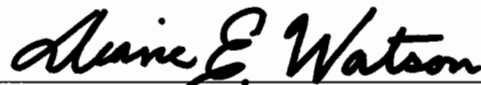


Barbara Lee
Member of Congress

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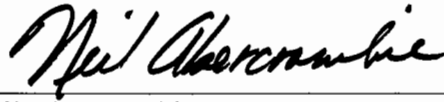
Bernard Sanders
Member of Congress



Diane E. Watson
Member of Congress



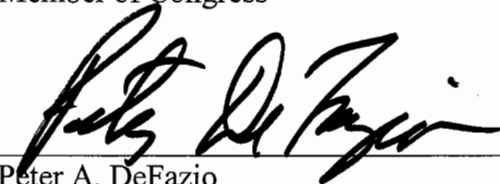
Gary L. Ackerman
Member of Congress



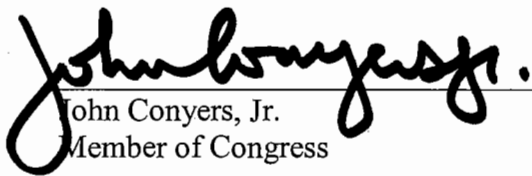
Neil Abercrombie
Member of Congress



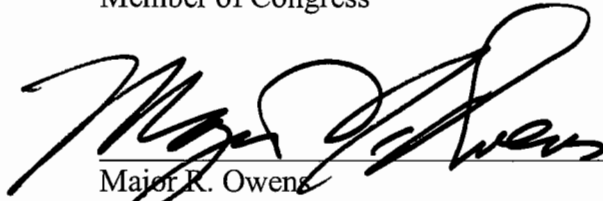
Janice D. Schakowsky
Member of Congress



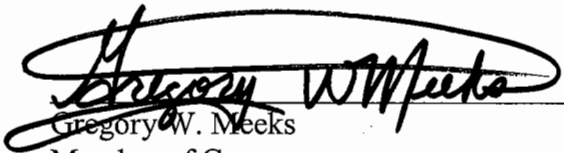
Peter A. DeFazio
Member of Congress



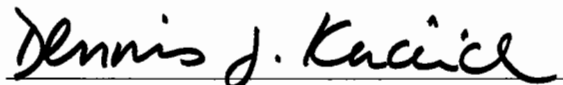
John Conyers, Jr.
Member of Congress



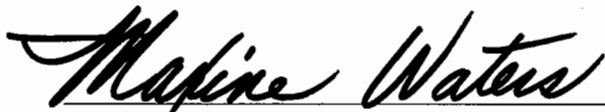
Major R. Owens
Member of Congress



Gregory W. Meeks
Member of Congress



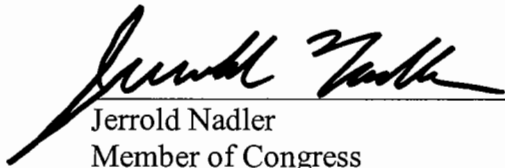
Dennis J. Kucinich
Member of Congress



Maxine Waters
Member of Congress



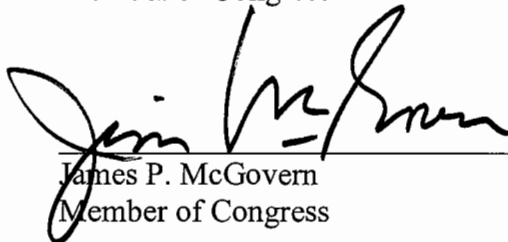
Alcee L. Hastings
Member of Congress



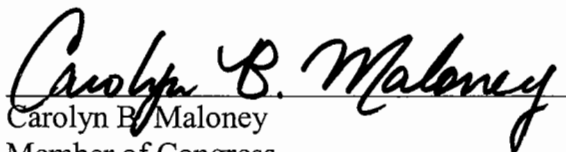
Jerrold Nadler
Member of Congress



William Lacy Clay
Member of Congress

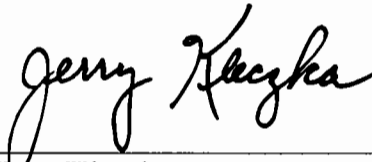


James P. McGovern
Member of Congress



Carolyn B. Maloney
Member of Congress

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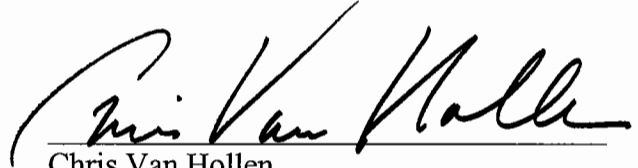
Jerry Kleczka
Member of Congress



Raúl M. Grijalva
Member of Congress



Michael E. Capuano
Member of Congress



Chris Van Hollen
Member of Congress



Peter Deutsch
Member of Congress



Betty McCollum
Member of Congress



Ted Strickland
Member of Congress



Earl Blumenauer
Member of Congress



Lane Evans
Member of Congress